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15 Attorneys for Plaintiffs/Judgment Creditors,  
16 GIGANEWS, INC. and LIVEWIRE  
SERVICES, INC.

17 UNITED STATES DISTRICT COURT  
18 CENTRAL DISTRICT OF CALIFORNIA  
19 LOS ANGELES DIVISION  
20

21 GIGANEWS, INC., a Texas Corporation;  
22 LIVEWIRE SERVICES, INC., a Nevada  
Corporation,

23 Plaintiffs,

24 v.

25 PERFECT 10, INC., a California  
26 Corporation; NORMAN ZADA, in  
individual; and DOES 1-50, inclusive,

27 Defendants.  
28

Case No.: 2:17-cv-05075-AB (JPR)

**PLAINTIFFS' SUPPLEMENT TO  
JOINT PRETRIAL  
CONFERENCE ORDER**

Pretrial Conf.: March 1, 2019

Time: 11:00 a.m.

Courtroom: 7B

Trial Date: March 26, 2019

Judge: Hon. André Birotte, Jr.

1 Because Defendants refused to allow any specific discussion of outstanding  
2 discovery issues in the joint pretrial conference order, Plaintiffs agreed to omit them  
3 from the joint document in order to finalize that document. Plaintiffs therefore  
4 submit this short supplement with the information Defendants would not allow.

#### 5 DISCOVERY

6 Plaintiffs sought and received orders from the Court compelling Defendants  
7 to identify physical assets Perfect 10 claims it transferred to Norman Zada. *See*  
8 Dkt. 66. Defendants still have not fully complied. Mr. Zada's October 31, 2018  
9 deposition revealed that there were additional assets that Perfect 10 transferred that  
10 Defendants did not disclose in their interrogatory responses or document  
11 production; Mr. Zada *assumed* that *if* they were Perfect 10's, he would have  
12 *included them in the* transfer, yet he still did not disclose them or investigate  
13 whether he or Perfect 10 paid.

14 Defendants also refused to supplement their interrogatory responses and  
15 document productions according to Federal Rule of Civil Procedure 26(e)(1).  
16 Defendants completed their original disclosures near the very end of fact discovery.  
17 Since that time, they have not provided any supplemental response or production,  
18 despite Plaintiffs' requests. Specifically, Defendants have not produced their most  
19 recent account statements, which are relevant to show any additional transfers from  
20 Perfect 10 to Zada, assets and liabilities to calculate insolvency, and Defendants'  
21 ability to pay a punitive damages award. The First Amended Complaint contains a  
22 claim for punitive damages, and the jury must hear and consider relevant evidence  
23 on that issue, specifically evidence of Mr. Zada's current financial position.

24 Defendants also have not produced documents related to Defendants' filings  
25 or planned tax filings for the 2018 tax year. Mr. Zada testified that such filings  
26 would occur to "correct" misrepresentations in Perfect 10's filings for 2015, 2016,  
27 and 2017. Those misrepresentations are directly at issue in this case, as they show  
28 that Mr. Zada's contributions to Perfect 10 were purchases of equity, not loans, and

1 that Perfect 10 for years continued to claim depreciation on assets it had supposedly  
2 sold to Mr. Zada in 2015.

3 Defendants also have not produced their recent communications that fall  
4 under the Court's order dated September 10, 2018 compelling (1) all  
5 communications between Defendant(s) and Bruce Hersh, and (2) all  
6 communications between Defendant(s) and Melanie Poblete or Sean Chumura that  
7 relate to Defendants' assets, liabilities, or transfers.

8 Defendants contend that Plaintiffs consented to December 31, 2017 as a  
9 cutoff date for all discovery, and therefore waived any right to supplementation  
10 under Rule 26. Defendants rely on a statement by Plaintiffs' counsel at a discovery  
11 hearing, which refers to specific requests at issue before the Magistrate Judge on a  
12 motion to compel. Plaintiffs did not agree to limit the relevant period for all  
13 discovery to 2017.

14 Dated: February 8, 2019

FENWICK & WEST LLP

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17 By: /s/Todd Gregorian  
Todd Gregorian

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SERVICES, INC.  
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